



GARY R. HERBERT
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Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 9, 2016

Certified Return Receipt
7014 2870 0001 4231 9951

Eric Lewis
14405 Waters Road, Suite 120
Houston, Texas 77014

Subject: Division Directive to Revise Permit or Reclaim, GR200 LLC, GR200 Plus Mine, S/019/0066, Grand County, Utah

Dear Mr. Lewis:

The Utah Division of Oil, Gas and Mining hereby directs you to either complete reclamation on the GR200 mine or revise the current Notice of Intention to Conduct Small Mining Operations (NOI) to permit continued mining. Revising the NOI must include the following:

- Enlarge the mine to 10 acres of disturbance and escalate the reclamation surety to the amount required for 10 acres. The building footprints and staging areas occupy a large portion of the currently permitted 5 acres and makes continued mining within a 5-acre permit impractical.
- Update the information for your Registered Agent in Utah. The address for Capitol Corporate Services, Inc. listed on the NOI is incorrect.
- Update the operator information, including primary contact info. As mentioned in a previous letter sent to you in January of 2016, GR 200 Plus LLC is currently not registered with the Utah Division of Corporations. GR 200 Plus LLC must be registered with the DOC to conduct business in Utah.

The requirement for the revised NOI was stipulated as a result of the informal conference conducted with you by conference call on December 18, 2015 and subsequent email to you which held the \$22,500 fine for the Failure to Abate Cessation Order in abeyance pending the reduction of the disturbance to 10 acres and the submission of a revised NOI to ten acres.

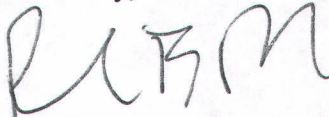


Page 2 of 2
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In March of 2016, the lead inspector for Grand County, Mike Bradley, met with Dennis Cosby on site at the conclusion of Mr. Cosby's efforts to reclaim the mine to 10 acres of disturbance as required. It was mapped with a GPS and found to be at the 10-acre limit. During this meeting, the possibility of transferring the two buildings to the property owner, Chris Dunham, was discussed. If this is in fact the case, providing proof of such a transfer of ownership would allow the building demolition and removal costs to be deleted from the required reclamation bond amount.

Please inform the Division in writing as to your intention to either fully reclaim or submit a revised NOI by July 17, 2016. Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Baker'.

Paul Baker
Minerals Program Manager

PBB: eb

cc: Dennis Cosby, (cosby34@citilink.net); Chris Dunham (Dunham Farms, P.O. Box 193, Green River, Utah 84525)
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